

INFORMATION REPORT

COUNTRY Austria (Russian Zone)
SUBJECT Miscellaneous Information on
USIA Metalworking Industries

19
DATE DISTR. August 1948
NO. OF PAGES 2

PLACE 25X1
ACQUIRED

NO. OF ENCLS.
(LISTED BELOW)

DATE OF INFO

SUPPLEMENT TO
REPORT NO.

25X1

25X1

CONFIDENTIAL
CIA Library

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE
OF THE UNITED STATES WITHIN THE MEANING OF THE ESPIONAGE ACT 50
U. S. C. 31 AND 32, AS AMENDED. ITS TRANSMISSION OR THE REVELATION
OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PRO-
HIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED. HOW-
EVER, INFORMATION CONTAINED IN BODY OF THE FORM MAY BE UTILIZED
AS DEEMED NECESSARY BY THE RECEIVING AGENCY.

THIS IS UNEVALUATED INFORMATION FOR THE RESEARCH
USE OF TRAINED INTELLIGENCE ANALYSTS

25X1

1.

The greater part of Mannesmann-Trautzl production consists of seamless pipe, which is produced by only one other factory in Austria, St. Egyder Eisen- u. Stahl A.G. Only the most pressing needs of USIA are fulfilled out of production, and the plant is allowed to retain a small portion to sell on the black market to defray overhead costs. All remaining production has been stored in the company warehouse on orders from USIA. The first week in May 1948, the entire stored amount was ordered loaded on flatcars and transported eastwards.

25X1

2.

A large part of sheet metal production of the Waidhofen plant of Boehler & Co. is delivered to the Skoda works in Czechoslovakia. That part of production available to non-USIA Austrian firms is sold at prices of from 2.70 to 5.40 schillings per kilo, depending on the thickness and treatment of the metal. Since USIA headquarters has allowed its individual companies to handle their own purchasing and sales activities, they have largely made use of middlemen. These men almost invariably demand additional commissions of two schillings per kilo on all sheet metal delivered. Even with these unofficial and illegal markups, the sheet metal is now obtainable for about 50% of what it cost in March 1948.

25X1

The Leichtmetallwerk Liesing is in a badly run-down condition, largely because the management is primarily Communist and has had little experience in business or in plant administration. There is scarcely any cash on hand, very few orders are received, and what work is undertaken is done very inefficiently. Informant stated that in order to get cash to meet payrolls and operating expenses, the plant is forced to sell its capital reserve stocks, most of which date back to 1945 or before. He estimated that the plant could hold out in this manner until August 1948.

25X1

25X1

CONFIDENTIAL

CLASSIFICATION SECRET

STATE	NAVY	NSRB	DISTRIBUTION
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

EXCISED BEFORE PUBLIC RELEASE OF THIS DOCUMENT.

Document No. 7
NO CHANGE in Class
DECLASSIFIED
Class. 100-10 TS S C
DIA Memo, 4 Apr 77
Auth: ODA REG-77/1735
MAY 1978

SECRET

25X1

~~SECRET~~

CENTRAL INTELLIGENCE AGENCY

- 2 -

25X1

25X1
25X1
25X1
25X1

[REDACTED] In the last two years, the Soviets have made only minimum investments in Stahl- und Temperguss A.G., in order to keep it in production. As a result, the plant is mechanically in a very neglected state. Furthermore, the Soviet director ordered on 1 June 1948 that henceforth any and all expenditures for repairs and/or replacements of machinery must first be submitted in detail to him for approval.

SECRET

CONFIDENTIAL

~~SECRET~~